

SCHEDULES

SCHEDULE 10

TAXATION PROVISIONS RELATING TO TRANSFER SCHEMES

PART 3

TRANSFERS UNDER SECTION 12 SCHEMES

Chargeable gains: disposals not be treated as made at market value

- 25 (1) Section 17 of the 1992 Act (disposals and acquisitions treated as made at market value) is not to have effect in relation to—
- (a) a disposal constituted by a relevant transfer or a disposal in accordance with provision contained by virtue of paragraph 3 or 4 of Schedule 2 to this Act in a scheme made under section 12 of this Act; or
 - (b) the acquisition made by the person to whom the disposal is made.
- (2) But sub-paragraph (1) does not apply—
- (a) if the person making the disposal is connected with the person making the acquisition; or
 - (b) in the case of a disposal in accordance with provision contained in a scheme by virtue of paragraph 3 or 4 of Schedule 2, if the disposal is made by or to a person other than the transferor or transferee.
- (3) If sub-paragraph (1) applies to the disposal of an asset, the disposal is to be taken (in relation to the person making the acquisition as well as the person making the disposal) to be—
- (a) in a case where consideration in money or money's worth is given by the person making the acquisition or on his behalf in respect of the vesting of the asset in him, for a consideration equal to the amount or value of that consideration; or
 - (b) in a case where no such consideration is given, for a consideration of nil.